

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	WC Docket No. 10-90
Connect America Fund)	WC Docket No. 14-93
)	WC Docket No. 05-337
Connect America Phase II)	
Challenge Process)	
)	DA 14-1447
High-Cost Universal Service Support)	

**Statement of James Daley in Support of
Charter Communications, Inc.'s Response to CAF Phase II Challenges by Mid-
Communications, Inc. and Mankato Citizens Telephone Company**

I, James Daley, state and declare as follows:

1. I am the Vice President of Billing Operations for Charter Communications, Inc. ("Charter"). I am providing this declaration in support of Charter's accompanying response to challenges that two providers—Mid-Communications, Inc. ("Mid-Com") and Mankato Citizens Telephone Company ("Mankato")—have made to the "served" status of census blocks as listed on their Forms 505 submitted in connection with the Bureau's Order, *In re Connect America Fund, Connect America Phase II Challenge Process, High-Cost Universal Service Support*, Order, WC Docket No. 10-90 et al., DA 14-1447 (WCB rel. Oct 3, 2014).

2. In my capacity as Charter's Vice President of Billing Operations:

- a. I have personal knowledge of (and am responsible and accountable for) the design, implementation, accuracy, and operation of Charter's billing systems;

- b. I further have personal knowledge of data that Charter maintains in the regular course of business regarding the areas that Charter serves, its current and historical customers, and serviceable homes within its footprint;
- c. I have worked with the marketing and business intelligence departments of Charter to identify the census blocks where Charter maintains plant and where it provides and offers voice and broadband services; and
- d. I have worked with those same departments to gather the associated evidence in support of Charter's FCC Form 505 filing.
- e. The statements in this declaration are based on my personal knowledge, including from persons working at my direction and/or under my supervision.

3. Mid-Com's and Mankato's challenges append lists of census blocks initially deemed by the FCC to be ineligible for Connect America Fund Phase II (CAF) support, but for which challengers have presented served-to-unserved challenges (the "Challenge Blocks"). There are 793 Challenge Blocks total; 745 challenged by Mankato and 54 challenged by Mid-Com (with six census blocks being challenged by both). As explained below, Charter has reviewed various sources of information regarding the Challenge Blocks and confirmed the FCC's original assessment that at least 778 of those blocks are ineligible for CAF support because they are already served by Charter.

4. Specifically, Charter has further confirmed, with respect to 610 of the Challenge Blocks (575 challenged by Mankato and 40 challenged by Mid-Com, with five challenged by both), that it has a current or former customer and provides broadband and voice services

meeting the performance and pricing metrics set forth in Commission rules: Charter offers broadband service in these blocks at speeds of at least 4 Mbps downstream and 1 Mbps upstream, with a minimum usage allowance of at least 100 GB/month, at a round-trip latency of 100 mms or less, and at a price that is reasonably comparable to rates in urban areas;¹ Charter provides voice service in these blocks at a price that is reasonably comparable to rates in urban areas; and Charter has records of serving a current or former customer in these blocks. For an additional 168 census blocks, Charter serves the same services and holds itself out to the public as offering these services, but cannot with certainty confirm that any of its current or former voice or broadband customers are located within the block (although Charter does serve customers with cable video services in many of those census blocks).

5. Charter's accompanying Response attaches two Forms 505 identifying these census blocks:

- a. The First Form 505 lists 610 census blocks in which Charter has confirmed that a current or former voice and broadband subscriber is located in the census block (hereinafter "Form 505-1").
- b. The second FCC Form 505 lists 168 census blocks in which Charter serves the requisite voice and broadband service but cannot confirm that any of its current or former voice or broadband subscribers are located within the census block (hereinafter "Form 505-2").

¹ See, e.g., 2014 Measuring Broadband America Fixed Broadband Report; A Report on Consumer Fixed Broadband Performance in the U.S.; Office of Engineering and Technology and Consumer and Governmental Affairs Bureau at 16 (updated June 18, 2014) (describing average latency of cable broadband services well below 100 ms).

- c. Charter has deployed voice and broadband-capable physical assets typically capable of serving both voice and broadband in the blocks listed in both Forms 505-1 and 505-2, and which could be provisioned within seven to ten business days, without any special construction charges or construction fee.

Form 505-1: Blocks with Confirmed Current and Former Charter Customers

6. In the Form 505-1 blocks, Charter is: (1) offering voice and broadband service; (2) has deployed voice and broadband-capable physical assets in the block; and, (3) has records confirming current and/or former broadband and voice customers.

7. Charter identified the 610 census blocks on Form 505-1 by querying its Enterprise Data Warehouse ("EDW") database, which maintains current and historical data from Charter's operational billing database. Charter's operational billing database maintains the addresses of customers subscribing to, among other services, Charter's voice and data plans. Charter's EDW database also retains such information for past billing periods. In addition, Charter's Customer Care and Billing Systems, and the EDW database they feed, maintain the addresses of locations as to which Charter has determined that Charter is capable of providing voice and data services to the address, generally from Charter representatives working in the field, or because Charter already serves the address for cable video services and has identified the home as one to which it could add voice and broadband using the same facilities upon customer request. Charter relies on the accuracy of its billing database both to bill customers for services being currently provided, and to enable Charter's customer service representatives to market and sell services to consumers. Therefore, Charter is confident in the accuracy of the data in the database.

8. To confirm its provision of service to the 610 Form 505-1 Blocks, Charter utilized the following process:

- a. First, Charter queried its EDW database for the addresses of all current or former subscribers of voice and data services meeting the performance and pricing metrics set forth in Commission rules.
- b. Second, working with an outside vendor, Frontier GeoTek, Charter mapped the identified addresses onto census blocks as follows:
 - i. Frontier GeoTek obtained geocoding information for each individual address by (using a service from a well-known vendor, Lightspeed Strategic Systems Solutions) querying five different sources for the latitude and longitude of each address, and choosing the source that provided the most accurate and reliable level of geocoding information. In order to ensure a high level of confidence in the accuracy of the geocoding data, Charter took the conservative approach of utilizing the geocoding results *only* if the vendor could reliably provide coordinates with street-level or higher accuracy.
 - ii. Next, Frontier Geotek matched those resulting coordinates against public data sets made available by the United States Census Bureau identifying the boundaries of each census block, thus allowing the matching of each address for which accurate geocoding information was available with the corresponding census block.

9. The process described in Paragraph 8 thus confirms that, within each census block listed on Form 505-1:

- a. Charter can serve homes for both voice and broadband service; and
- b. Charter has at least one current or former customer who receives voice services, data services, or, in many cases, both.

10. Charter has attached to this filing as Appendix 505-1(A) representative redacted bills for the Form 505-1 Blocks² as additional evidence of the existence of current or former customers in those blocks.³ To comply with applicable privacy statutes, including ECPA, Section 222 of the Telecommunications Act, and Section 631 of the Cable Act, Charter redacted personally identifiable, or otherwise protected, information as well as non-relevant information. To protect customer privacy in census blocks with limited numbers of homes on named streets, Charter was required to redact the street name as well as street addresses of customers.⁴

² Charter has confirmed through its billing records the existence of a current and/or former customer in each individual block listed on Form 505-1. Charter has sought to include in Appendix 505-1(A) a representative bill for each census block when such a bill was available; however Charter was not able to locate within the time provided a customer bill for one Form 505-1 Block, specifically Block 270131702002109, in which it has a confirmed billing record.

³ Due to the volume of these materials, Charter is submitting the underlying exhibits to the Commission on machine readable media in addition to filing electronically an index of those materials.

⁴ Some of the attached bills show a customer purchasing broadband service or voice service but not both. However, except for a small number of areas in its footprint, Charter provides voice service everywhere it provides broadband service and vice versa. That is because Charter's voice service uses Voice over Internet Protocol ("VoIP") and thus utilizes the same infrastructure as Charter's broadband service. Charter has excluded from Form 505-1 any of the small number of census blocks it cannot serve with voice services. Accordingly, the attached bills showing the purchase of either voice or broadband service demonstrate that Charter offers both services to that address. Moreover, where a customer has subscribed to one service such as voice, a number of the bills include marketing messages for additional services such as broadband, which further demonstrates the offering of both services in the census block.

11. Additionally, as further evidence in support of its provision of voice and data services to the Form 505-1 Blocks, Charter has attached as Appendix 505-1(B) sample screen shots from Charter's consumer-facing online service qualification ("OSQ") tool, located at charter.com, of an address within each of the Form 505-1 Blocks that demonstrate from a consumer perspective that Charter is offering both voice and broadband services in those census blocks. As with the customer bills described in Paragraph 10 above, Charter has redacted these screenshots to protect the privacy of its customers.⁵

- a. I note also that Mid-Com's challenge includes sample screenshots from Charter's OSQ tool, which Mid-Com claims show that Charter does not serve a handful of specific addresses (which Mid-Com claims are the addresses for "city offices in each of [its] exchanges").
- b. For one of these addresses, 705 Parkway Ave, 56024, the screenshot on which Mid-Com relies clearly shows that Charter does offer voice and broadband services through its "Triple Play" offer (i.e. cable video, voice, and broadband Internet services) at the address, showing potential customers the prices at which those services can be purchased and offering them the option to order them online. Mid-Com has highlighted, and thus appears to have misunderstood, a statement by Charter's OSQ tool that reads as follows:

"Charter Spectrum Services are not yet available in your area. Order now and you will be automatically upgraded to

⁵ Due to the volume of these materials, Charter is submitting the underlying exhibits to the Commission on machine readable media in addition to filing electronically an index of those materials.

the Charter Spectrum Suite of services at no additional cost once available.”

- c. The highlighted statement signifies only that Charter’s “Spectrum” suite of services, Charter’s more advanced offering with a larger number of high-definition video channels and even faster Internet speeds, is not yet available for the address. However, Charter’s broadband and voice offerings are clearly available, albeit without the additional enhancements of the “Spectrum” suite of products, in the screenshot at issue.

Form 505-2: Census Blocks Where Charter Offers Service

12. In the 168 Form 505-2 Blocks, Charter serves the requisite voice and broadband service but cannot confirm with certainty that any of its current or former customers are located within the census block. Nevertheless, Charter has deployed voice and broadband-capable physical assets typically capable of serving both voice and broadband in the blocks listed, and which could be provisioned within seven to ten business days, without any special construction charges or construction fee.

13. To confirm its serving and offering of service to the 168 Form 505-2 Blocks, Charter utilized the following process:

- a. First, working with Frontier GeoTek, Charter consulted its engineering maps that indicate the geocoded locations of Charter’s plant, including locations serviceable by Charter based on proximity to Charter’s existing nodes. Charter regularly relies on its plant maps for engineering operations, and undertook a substantial analysis to further limit its engineering data based on recorded parcel and lot locations in recent years. As a result of these efforts, Charter has a high degree of confidence

that its engineering maps accurately reflect locations in which Charter has plant and serves voice and data services.

- b. Second, using a process very similar to the one described in Paragraph 8(b)(ii) above, Charter compared the geocoded locations serviceable by its plant, as confirmed by its engineering maps, to the geocoded locations of census blocks as reflected in data made available by the U.S. Census Bureau. For each census block listed on Form 505-2, Charter has confirmed that its plant is capable of providing service within the census block.
- c. In addition to consulting its engineering maps described in Paragraph 13(a) above, Charter also consulted its EDW database described in Paragraph 7 above. As stated earlier, Charter's EDW database includes not only addresses at which Charter has a current or former customer, but also addresses where Charter has already made a determination that it is capable of providing service, either for purposes of marketing to those locations or because Charter already serves cable video customers at the address, and has determined that the same homes are serviceable for broadband and data.
 - i. Charter has not comprehensively cataloged in its EDW database *every* address at which it can provide service, and therefore would not expect its EDW database (which comprises primarily billing data) to encompass every census block in which Charter offers service.

- ii. Nonetheless, for 91 of the census blocks on Form 505-2, Charter's EDW database already confirms specific customer addresses within the census block that are both broadband- and voice-serviceable by Charter.

14. The engineering data that Charter consulted for purposes of the analysis described in paragraph 13(a) above shows the locations of Charter's plant, and confirm that Charter plant is either within or sufficiently adjacent to each of the Form 505-2 Blocks to serve homes within those blocks. Charter is submitting as Appendix 505-2(A) twenty-five illustrative, non-exhaustive examples of the types of plant and engineering data it consulted to confirm its provision of service within the Form 505-2 Blocks.⁶

15. In addition, to confirm that it serves addresses within the census blocks listed in Form 505-2, Charter is attaching additional screenshots from its consumer-facing OSQ tool⁷ showing that Charter holds itself out as providing voice and broadband services within the relevant census blocks. Charter is attaching a non-exhaustive sampling of screenshots from its OSQ tool, from representative addresses within more than half of the census blocks listed on Form 505-2, to show Charter's offering of service in those blocks. Those illustrative examples are attached as Appendix 505-2(B).⁸

⁶ Due to the confidentiality of Charter's engineering materials, these example maps are being filed with the Commission confidentially.

⁷ Charter's OSQ tool, which is a marketing device, was not designed specifically to identify census blocks where Charter has deployed broadband and voice services. It thus does not comprehensively cover every address in which Charter's provides or is capable of providing service, as confirmed by the billing and engineering data described in this declaration.

⁸ Due to the volume of these materials, Charter is submitting the underlying exhibits to the Commission on machine readable media in addition to filing electronically an index of those materials.

16. Finally, Charter's direct mail marketing materials further confirm that it serves voice and broadband services to the Form 505-2 blocks:

- a. Charter has sent marketing materials to many of the 505-2 Blocks as to which Charter's EDW database already identifies addresses serviceable for voice and broadband within the census blocks (as indicated in Paragraph 13(c)(ii) above). Due to the fact that Charter does not always retain past marketing materials in a manner that can be easily retrieved without substantial cost and expense, Charter has not purported exhaustively to catalog every address to which it has advertised within the Form 505-2 Blocks. However, Charter has attached as Appendix 505-2(C) non-exhaustive samples of advertisements it has sent to representative addresses more than a third of the Form 505-2 Blocks.⁹

17. With respect to the Form 505-2 blocks, there are a number of reasons why Charter might not have records of a current or former customer in a census block in which Charter offers the requisite services:

- a. For example, in some census blocks, Charter may have deployed plant in new housing subdivisions where home purchasers have not yet taken possession;
- b. Indeed, as mentioned in Paragraph 13(c)(ii) above, in many of these census blocks Charter has records that it could serve addresses at issue,

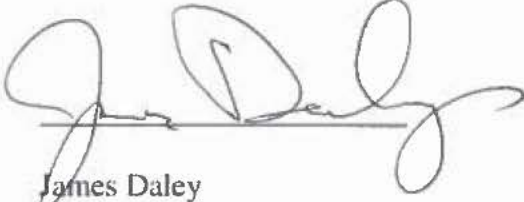
⁹ Charter's direct mail advertisements are often targeted at areas wider than individual census blocks, and individual advertisements are thus often relevant with respect to multiple census blocks on Form 505-2, as indicated on the index to Appendix 505-2(C).

and even records of cable customers who would rely on the same plant if they subscribed to voice and broadband services;

- c. In addition, as mentioned in Paragraph 8(b)(i) above, Charter utilized a conservative geocoding process in which it relied, for purposes of the data regarding current and former subscribers attached in Appendix 505-1(A), on geocoding information only when the geocoding process could reliably geolocate an address with street-level accuracy or higher. As a result, Charter omitted from its response several known addresses at which it provides service due to the presence of some uncertainty as to the precise census block in which those addresses are located. Some of the addresses Charter omitted due to this cautious approach may in fact be located in the Form 505-2 census blocks.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on November 26, 2014 in Stamford, CT



James Daley